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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/817,597	03/26/2001	Motoki Nakade	450100-03084	7826

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EXAMINER	
JOHNS, CHRISTOPHER C	
ART UNIT	PAPER NUMBER
3621	

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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)	
	09/817,597	NAKADE ET AL.	
	Examiner	Art Unit	
	Christopher C. Johns	3621	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE *3* MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *27 May 2008*.

2a)☒ This action is **FINAL**. 2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-4,7,8 and 10-22* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-4,7,8 and 10-22* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

Acknowledgements

1. Claims 1-4, 7, 8 and 10-22 are pending.

Specification

2. The title of the invention is not descriptive. A new title is required that is clearly indicative of the invention to which the claims are directed.

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

4. Claims 1-4, 7, 8, 12-19, and 22 are rejected under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent 7,072,856 ("Nachom").

5. As per claims 1-4, 7, 8, 12-19, and 22, Nachom teaches:

a. connecting a plurality of communication terminals to each other and transmitting signals between said terminals (figures 1 and 2);

b. superposing a second advertisement image over a first image and transmitting the superposed image to a user (figure 2; column 5, lines 10-33);

c. transmitting advertisements to users of said terminals (figure 2; column 5, lines 10-33) and providing information to said users in response to a demand from said users (column 5, lines 33-43);

d. superposed image data (see figure 2, reference number 26 – the question mark bubble is an image. It is the Examiner's primary position that the claims are anticipated because of the above inherent features (i.e. the pop-up may contain image data). However, if not inherent, advertisements that contain images were old and well-known to those skilled in the art at the time of the invention (see "Ad Blockers Challenge Web Pitchmen", story from Los Angeles Times, 2 March 1999, hereafter "Blockers": page 3, 2nd paragraph, 4th paragraph). Since Nachom uses pop-ups for its advertisements, it would have been obvious to one of ordinary skill in the art at the time of the invention to use images in the pop-ups described in Nachom).

e. displaying a transaction environment to the users (column 5, line 43 – column 6, line 6);

f. replacing an area of the first image data with the second image data and blending the data at a prescribed ratio (see column 5, lines 30-35 – "Information may be presented in the form of a pop-up screen or an embedded hyperlink". Using a pop-up screen is a method that replaces a prescribed area of the first image data (the original webpage, figure 2, reference number 20) with second image data. Again, it is the Examiner's primary position that the claims are anticipated because of the above inherent features (i.e. blending image data to a "prescribed ratio"). However, if not inherent, blending two images was well-known to those skilled in the art at the time of the invention (see "Play

your cards right", article from vnunet.com, 24 July 1999 (hereafter "Cards"), section: "Glossary of common 3d terms", definition "Alpha blending/transparency"). Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to combine the transparency idea in Cards with the system in Nachom, because it produces the effect of objects appearing in front of one another, which produces a more aesthetically pleasing effect, for a more robust system);

g. sending the superposed image based on the first user (advertiser) and a second user (consumer) (column 5, line 10 – column 6, line 44);

h. the first image data comprises image signals of the first user selling the one or more products (the Examiner contends that as advertisements contain images (see ¶d above, as well as previous rejection, ¶d), the inclusion of images of the products represents the advertiser "selling the…products");

i. prescribed area in the first image data is determined based on feature points of the first image data and a usage of the one or more products (the popup in Nachom is sized according to the data enclosed in the popup, see figure 5, reference number 26. Further, it is inherent in the computing arts to create appropriately-sized windows);

j. transmitting data over the Internet (column 4, lines 50-61), therefore transmitting data and signals that the Internet typically supports – such as the JPEG, GIF, MPEG, MP3 file formats (well-known to those skilled in the art at the time of the invention)

k. a user completing a transaction at a second site, accessed by clicking on said pop-up ads (see abstract; figure 2, reference numbers 34-40-44, 50, 52 et seq);

l. As per claims 3, 4, 7, 8, and 18, data stored in memory that does not affect a claimed method or apparatus does not distinguish the claims from the prior art (see MPEP 2106.01). Similarly how stored data in memory is arranged for display does not distinguish the claims from prior art (claims 7, 8).

m. As per claim 13, websites that sell multiple products were old and well-known to those skilled in the art at the time of the invention (such as Amazon.com, Buy.com, etc). As Nachom applies his system to companies that perform business over the Internet (column 5, lines 25-50), it would have been obvious to one of ordinary skill in the art at the time of the invention to use Nachom to sell multiple products.

6. Claims 10, 11, 20, and 21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Nachom, in view of US Patent 5,721,827 ("Logan").

n. As per claims 10, 11, 20, and 21, Nachom does not explicitly teach compensating a user for viewing advertisements. Logan teaches compensating a user for viewing an ad (see abstract). Logan also teaches targeting advertisements to users based on user preferences (column 9, line 12 – column 10, line 5). Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to compensate the users for advertisements as is done in Logan, in the system in Nachom, because it would provide a more successful system where more users will click advertisements (because of the obvious financial benefits).

7. In the alternative, claims 1-4, 7, 8, 12-19, and 22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Nachom in view of the Home Shopping Network, as covered by "These days, TV powerhouse HSN is even used by stars like Madonna", a story from the Daily News covering the past 3 decades of the network's operations ("HSN"), further in view of "Ad Blockers Challenge Web Pitchmen", story from Los Angeles Times, 2 March 1999 ("Blockers"), enclosed in previous action.

8. In the alternative, claims 10, 11, 20, and 21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Nachom, in view of Logan, further in view of HSN, further in view of Blockers.

o. It is the examiner's primary position that the claims are anticipated because of the above inherent features (i.e. showing image signals of the first user selling the one or more products). However, if not inherent, then the old and well-known "Home Shopping Network" has taught showing image signals of an advertiser selling items (see pictures with titles "The early days of HSN, in 1983", "130 million sold: Joy Mangano's Huggable Hangers are the biggest sellers in HSN's history"), as well as video and audio signals, for many years, and Blockers discloses "advertisements that require large amounts of data, like a full-motion video..." (page 2, ¶1).

p. It would have been obvious to a person having ordinary skill in the art to include in Nachom (or Nachom and Logan) the selling of products via video as taught by HSN, since the claimed invention is merely a combination of old elements, and in the combination, each element merely would have performed the same function as it did

separately. A person having ordinary skill in the art would have recognized that the results of the combination were predictable.

q. Furthermore, it would have been obvious to a person having ordinary skill in the art to include in Nachom (or Nachom and Logan) the enclosure of video signals (which inherently include image signals) in Internet advertisements as taught by Blockers, since the claimed invention is merely a combination of old elements, and in the combination, each element merely would have performed the same function as it did separately. A person having ordinary skill in the art would have recognized that the results of the combination were predictable.

Response to Arguments

9. Applicant's arguments with respect to claims 1-4, 7, 8 and 10-22 have been considered but are moot in view of the new grounds of rejection.

Conclusion

10. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

r. "THE MEDIA BUSINESS: ADVERTISING; Talking ads may be coming soon to a gas pump or automated teller machine near you", New York Times, 12 December 1997.

11. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

12. A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

13. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Christopher C. Johns whose telephone number is (571)270-3462. The examiner can normally be reached on Monday - Friday, 9 am to 5 pm.

14. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Andrew Fischer can be reached on (571) 272-6779. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

15. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Christopher C Johns
Examiner
Art Unit 3621

CCJ

/ANDREW J. FISCHER/
Supervisory Patent Examiner, Art Unit 3621